

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re: } Chapter 11
THE WIRELESS NETWORK, LLC, } Case No. 07-20518
an Illinois limited liability company, } Judge Susan Pierson Sonderby
Debtor/Debtor-in-Possession. }

**FINAL ORDER AUTHORIZING
USE OF CASH COLLATERAL OF FIRST UNITED BANK**

AT Chicago, Illinois in said District before the Honorable Susan Pierson Sonderby, Bankruptcy Judge, this 2nd day of January, 2008:

THIS MATTER COMING TO BE HEARD upon the Motion of THE WIRELESS NETWORK, LLC, an Illinois limited liability company, Debtor and Debtor in Possession herein, for authority to use cash collateral pursuant to Section 363 of the Bankruptcy Code (the "Motion"); proper notice as required by Rule 4001(b) of the Federal Rules of Bankruptcy Procedure having been provided; no objections having been interposed; this Court having determined that the Debtor's use of cash collateral to cover the expenditures set forth on Exhibit A hereto is necessary to avoid immediate and irreparable harm to the Debtor's estate ~~pending a final hearing on the Motion~~; this Court having previously entered a Final Order Authorizing Debtors in Possession to Use Cash Collateral and to Obtain Post-Petition Financing, Pursuant to Sections 105, 361, 363 and 364 of the Bankruptcy Code, Providing Adequate Protection and Granting Liens, Security Interests, Superpriority Claims and Set-Off Rights relating to the Celco Partnership, d/b/a Verizon Wireless (hereinafter, the "Verizon DIP Order"); this Court having previously entered four (4) Interim Orders authorizing the Debtor's use of cash collateral of First United Bank ("Bank"); and this Court being fully advised in the premises;

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

- A) Subject to the terms and conditions of the Verizon DIP Order, the Debtor is authorized to use cash collateral during the period January 5, 2008, through March 1, 2008, to the extent set forth on Exhibit A plus no more than ten percent (10%) of the total proposed expenditures, unless otherwise agreed by the Bank or upon further Order of this Court;
- B) In return for the Debtor's use of cash collateral, the Bank is granted the following adequate protection for its purported secured interests:
 1. The Debtor will permit the Bank to inspect, upon reasonable notice, within reasonable hours, the Debtor's books and records;
 2. The Debtor shall maintain and pay premiums for insurance to cover all of its assets from fire, theft and water damage;
 3. The Debtor shall, upon reasonable request, make available to the Bank evidence of that which constitutes their collateral or proceeds;
 4. Subject to the security interests, liens and claims granted to Cellico Partnership in the Verizon DIP Order; the Bank shall be granted a valid, perfected, enforceable, security interest in and to the Debtor's post-petition assets which are now or hereafter become property of this estate, to the extent of its alleged pre-petition liens and to the extent of the Debtor's use of cash collateral;
 5. The Debtor shall execute any documents that may be reasonably required by the Bank to evidence the post-petition liens granted herein; and
 6. The Debtor shall provisionally make monthly payments to the Bank in January 2008 and February 2008 in an amount equal to the non-default, contract rate of interest required under the Bank's loan documents, which amount is estimated by the Debtor to be approximately \$13,970.00 per month, with all parties' rights as to the final application of such payments and any future payments being expressly reserved.
- C) A continued hearing on the Motion authorizing the Debtor's use of continued cash collateral of the Bank is scheduled before this Court on February 26, 2008, at 10:30 a.m.

ENTER:

JUDGE

JAN 02 2008

DEBTOR'S COUNSEL:

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(Atty. No. 06183621)

ARTHUR G. SIMON, ESQ.

(Atty. No. 03124481)

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The Wireless Network, LLC - Consolidated
Cash Receipts & Disbursements - Income Tax Basis

	Dec 18 - 32	Dec 23 - 33	Dec 30 - 34/5	Jan 6 - 12	Jan 13 - 19
Ordinary Income/Expense					
Income					
Commission revenue	626,000.00				700,000.00
Gross Sales	115,000.00	115,000.00	115,000.00	115,000.00	115,000.00
Holiday Bonus	11,000.00	11,000.00			
Total Income	848,000.00	126,000.00	116,000.00	115,000.00	916,000.00
Verizon Reimburse - Bill Payments	18,780.00	18,780.00	18,780.00	18,780.00	18,780.00
Payments for Inventory	340,000.00	40,000.00	40,000.00		495,000.00
	368,780.00	58,780.00	58,780.00	18,780.00	433,780.00
Gross Profit	287,750.00	67,750.00	66,250.00	66,250.00	391,250.00
Expenses					
Advertising				1,000.00	
Bank Service Charges			1,000.00		
Car Allowance - Regional Mgr			220.69		
Cash over/short			1,000.00		
Commission expenses		46,665.00		600.00	
Contract Labor	320.00	2,260.00		2,260.00	320.00
Equipment rental			686.00		
Interest Expenses				1,000.00	
Insurance	6,400.00	(925.00)			6,400.00
Merchant Fees			8,215.00		
Mileage reimbursements		625.00	625.00	625.00	625.00
New store implied	30,000.00				
Office Expenses	2,070.00	1,700.00	6,020.00	1,000.00	2,050.00
Payroll Expenses		20,440.00		97,520.00	
Payroll Post		805.00	60.00	60.00	
Post petition - Commonwealth					
Edison - Audit Security Deposit	3,882.00				
Post petition - Nipaco					
Audit Security Deposit	1,146.44				
Post petition - Other Utility					
Audit Security Deposit	2,400.00				
Liner Care - Buffalo Grove	6,000.00				
Post Petition - Committee Counsel		2,500.00	2,500.00	2,500.00	2,500.00
Post Petition - Special Counsel		2,500.00	2,500.00	2,500.00	2,500.00
U.S. Trustee Fee					
Interim Comp - Committee Counsel					
Interim Comp - Wireless Counsel					
Interim Comp - Wireless Accountant					
Verizon Professional Fees					
Rent			140,540.00		9,500.00
Repairs		476.00	1,780.00		
Taxes		17,082.00	30.00	10,250.00	
Telephone	3,808.00	1,200.00	3,940.00	800.00	3,808.00
Utilities	1,240.00	1,800.00	2,000.00	4,640.00	1,140.00
	58,553.00	158,147.00	173,902.58	126,096.80	37,825.02
Total Expenses	222,198.13	(126,387.00)	(117,882.80)	(29,846.80)	353,525.00
Net Ordinary Income (Loss)					

EXHIBIT

A

The Wireless Network, LLC - Consolidated
Cash Receipts & Disbursements - Income Tax Basis

	Dec 16 - 22	Dec 23 - 29	Dec 30 - Jan 6	Jan 7 - 12	Jan 13 - 19
Beginning Cash					
Cash In (Collections/Deposits)	100,000.00	379,198.13	280,798.13	139,148.54	103,300.84
Cash Out (Expenses)	848,500.00	128,500.00	115,000.00	115,000.00	813,000.00
Ending Cash	<u>417,303.87</u>	<u>264,897.00</u>	<u>222,862.68</u>	<u>144,048.00</u>	<u>411,775.00</u>
	<u>379,198.13</u>	<u>280,798.13</u>	<u>139,148.54</u>	<u>103,300.84</u>	<u>411,775.00</u>
Beginning Verizon Receivables					
Plus: Sales	815,000.00	448,053.00	534,120.00	500,020.00	963,910.00
Less: Collections	183,985.00	185,185.00	184,900.00	163,000.00	133,955.00
Ending Verizon Receivables	<u>532,000.00</u>	<u>534,120.00</u>	<u>500,020.00</u>	<u>963,910.00</u>	<u>700,000.00</u>
	<u>448,053.00</u>	<u>534,120.00</u>	<u>500,020.00</u>	<u>963,910.00</u>	<u>417,303.87</u>
Beginning Inventory					
Plus: Purchases	515,000.00	515,000.00	515,000.00	515,000.00	515,000.00
Less: Sales of Inventory	206,000.00	206,000.00	206,000.00	206,000.00	196,000.00
Ending Inventory	<u>205,000.00</u>	<u>205,000.00</u>	<u>205,000.00</u>	<u>205,000.00</u>	<u>196,000.00</u>
	<u>515,000.00</u>	<u>515,000.00</u>	<u>515,000.00</u>	<u>515,000.00</u>	<u>515,000.00</u>

Note: To the extent additional inventory is required to open additional locations, or if sales increase, additional inventory is to be funded by additional credit from Verizon or additional funding to be obtained with court approval.

The Wireless Network, LLC - Consolidated
Cash Receipts & Disbursements - Income Tax Results

	Jan 20 - 28	Jan 28 - Feb 1	Feb 7 - 8	Feb 8 - 15	Feb 16 - 22
Ordinary Income/Expense					
Income					
Commission revenue					500,000.00
Gross Sales	115,000.00	115,000.00	115,000.00	115,000.00	115,000.00
Holiday Sales					
Total Income	115,000.00	115,000.00	115,000.00	115,000.00	945,000.00
Verizon Reserves - Bill Payments	16,750.00	16,750.00	16,750.00	16,750.00	16,750.00
Payments for Inventory	40,000.00	40,000.00	40,000.00	20,000.00	300,000.00
	64,750.00	64,750.00	68,750.00	36,750.00	316,750.00
Gross Profit	56,250.00	56,250.00	56,250.00	78,250.00	544,250.00
Expenses					
Advertising			1,250.00		
Bank Service Charges		1,000.00			
Car Allowance - Regional Mgr		238.58			
Cash over/short		1,000.00			
Commission expense	67,025.00		600.00		67,025.00
Contract Labor	2,250.00		2,250.00	320.00	2,250.00
Equipment rental		500.00			
Fleet Expenses	13,970.00		1,005.00		13,970.00
Insurance	(925.00)			6,420.00	(925.00)
Merchant Fees		8,215.00			
Mileage reimbursements	625.00	625.00	625.00	625.00	625.00
New store payout					
Office Expenses	1,720.00	6,030.00	1,920.00	2,020.00	1,720.00
Payroll Expenses	99,440.00		97,620.00		98,440.00
Payroll Fees	405.00	50.00	520.00		405.00
Post petition - Commonwealth					
Edison - Adm Security Deposit					
Post petition - Nipaco					
Adm Security Deposit					
Post petition - Other Utility					
Adm Security Deposit					
Lawyer Costs - Buffalo Grove					
Post Petition - Committee Counsel	2,400.00	2,000.00	2,500.00	2,500.00	2,500.00
Post Petition - Special Counsel	2,000.00	2,500.00	2,500.00	2,500.00	
US Trustee Fee					
Marin Corp - Committee Counsel					30,000.00
Marin Corp - Wireless Counsel					30,000.00
Marin Corp - Wireless Accountant					15,000.00
Verizon Professional Fees		5,000.00	6,000.00	6,000.00	6,000.00
Rent		140,849.00		9,880.00	
Repairs	475.00	1,700.00			475.00
Taxes	17,082.00	30.00	10,205.00		17,082.00
Telephone	1,250.00	3,000.00	600.00	3,000.00	1,250.00
Utilities	1,000.00	2,000.00	6,240.00	1,160.00	1,000.00
Total Expense	210,477.00	178,902.00	121,095.00	24,125.00	293,877.00
Net Ordinary Income (Loss)	194,222.00	(122,642.00)	(73,845.00)	42,125.00	52,273.00

The Whirlpool Network, LLC - Consolidated
Cash Receipts & Disbursements - Income Tax Revols

	Jan 20 - 04	Apr 20 - Feb 1	Feb 7 - 8	Feb 9 - 10	Feb 16 - 22
Beginning Cash					
Cash In (Collections/Deposits)	450,026.54	302,408.54	180,045.85	105,199.85	147,324.95
Cash Out (Expenses)	115,000.00	146,000.00	116,000.00	116,000.00	665,000.00
Ending Cash	<u>302,427.54</u>	<u>237,402.59</u>	<u>100,045.85</u>	<u>72,199.85</u>	<u>812,724.95</u>
Beginning Verizon Receivables					
Plus: Sales	417,945.00	871,000.00	758,000.00	922,000.00	1,000,773.00
Less: Collections	163,985.00	145,100.00	105,000.00	163,000.00	153,986.00
Ending Verizon Receivables	<u>571,820.00</u>	<u>786,000.00</u>	<u>822,000.00</u>	<u>1,086,773.00</u>	<u>950,773.00</u>
Beginning Inventory					
Plus: Purchases	515,000.00	515,000.00	515,000.00	515,000.00	515,000.00
Less: Sales of Inventory	196,000.00	206,000.00	206,000.00	206,000.00	186,000.00
Ending Inventory	<u>515,000.00</u>	<u>305,000.00</u>	<u>305,000.00</u>	<u>206,000.00</u>	<u>186,000.00</u>

Note: To the extent additional inventory is required to open additional locations, or if sales increase, additional inventory is to be funded by additional credit from Verizon or additional funding to be obtained with court approval.

The Wireless Network, LLC - Consolidated
Cash Receipts & Disbursements - Income Tax Basis

	Page 23 - Mar 1	Total
Ordinary Income/Expense		
Income		
Commission revenue		1,770,000.00
Gross Sales	115,000.00	1,885,000.00
Holiday Sales		23,000.00
Total Income	115,000.00	1,908,000.00
Verizon Reimbursement - Bill Payments	18,750.00	205,250.00
Payments for Inventory	30,000.00	1,705,000.00
	38,750.00	1,901,250.00
Gross Profit	75,250.00	1,508,750.00
Expense		
Advertising		2,400.00
Bank Service Charges	1,800.00	4,400.00
Car Allowance - Regional Mgr	200.00	715.77
Cash overshoot	1,800.00	6,700.00
Commission expense		201,915.00
Contract Labor		12,240.00
Equipment rental	640.00	1,000.00
Internet Expenses		28,002.00
Insurance		18,425.00
Merchant Fees	8,210.00	24,645.00
Mileage reimbursement	625.00	9,075.00
New stove buildout		30,000.00
Office Expenses	6,530.00	35,395.00
Payroll Expenses		493,250.00
Payroll Fees	50.00	3,605.00
Post petition - Commonwealth		
Editor - Add'l Security Deposit		3,002.00
Post petition - Naples		
Add'l Security Deposit		1,146.21
Post petition - Other Utility		
Add'l Security Deposit		2,420.00
Losses Comp - Radiation Events		6,500.00
Post Petition - Committee Counsel	2,000.00	94,000.00
Post Petition - Special Counsel	2,000.00	22,500.00
US Trustee Fee		8,500.00
WERN Comp - Committee Counsel		34,900.00
Interna Comp - Wireless Counsel		10,000.00
Interna Comp - Wireless Assessment		16,000.00
Verizon Professional Fees	5,000.00	25,500.00
Rent	140,540.00	441,247.00
Repairs	1,700.00	4,000.00
Taxes	30.00	71,000.00
Telephone	3,000.00	24,000.00
Utilities	2,000.00	26,000.00
Total Expenses	178,952.00	1,819,804.04
NET Ordinary Income (Loss)	(102,652.00)	(810,554.04)

The Wireless Network, LLC - Consolidated
Cash Receipts & Disbursements - Income Tax Basis

	Feb 29 - Mar 1	Total
Beginning Cash		
Cash In (Contributed/Deposits)	199,597.88	190,000.00
Cash Out (Expenses)	115,000.00	3,058,000.00
Ending Cash	217,052.59	3,111,054.64
	88,945.36	88,945.36
Beginning Verizon Receivables		
Plus: Sales	690,720.00	815,000.00
Less: Collections	163,988.00	1,790,720.00
Ending Verizon Receivables	544,720.00	1,720,000.00
	544,720.00	544,720.00
Beginning Inventory		
Plus: Purchases	345,000.00	
Less: Sales of Inventory	205,000.00	
Ending Inventory	445,000.00	
	445,000.00	

Note: To the extent additional inventory is required to open additional locations, or if sales increase, additional inventory is to be funded by additional credit from Verizon or additional funding to be obtained with senior approval.